

# From “Please” to “Thank You”; From “Thank You” to “Please”: Cultivating Major Donors—A Long-Term Partnership\*

DAVID BAKER

*Communications Director, Office of Development, Yale University*

---

## A Conflict

Because the whole field of fund raising is a fairly new one, at least in professional terms, it has not yet become a subject of academic study and has not produced a literature of theories, laws, concepts, recipes, and prohibitions. Any of us who try to discuss our profession with colleagues in such general terms, usually do not get far. Many of our fellow fund raisers will look at us askance. What’s the problem? they ask. You either get the money or you don’t. A good fund raiser raises funds. What matters is the bottom line. And who has time to talk to staff anyway? The more donors you talk to, the more gifts you will get.

What we see shaping up here is a fundamental split between two philosophies of fund raising. The practitioners who spend most of their time with donors have a quantitative outlook: How many donors can I see in a week? How many “asks” can I make? How many dollars can I raise this year? We cannot dispute that view, or dismiss it altogether. But we need to balance this frantic quest from time to time with long-range considerations.

The long view becomes important when we realize that we do not have an infinite number of donors to solicit. The “travelling salesman” type of fund raiser can run from town to town beating the bushes, but will sooner or later have to return with a second request to a donor. At that point it suddenly makes sense to ask what kind of relations have been developed between the organization and the particular donor. How did we leave the donor? What was his or her last impression of that earlier transaction? Fund raising is not like P.T. Barnum’s view of the expanding universe of circus audiences in which “there’s a sucker born every minute”. You can’t just “take the money and run”.

---

\*This article was adapted from a presentation to The Canadian Centre for Philanthropy’s Conference *Partners in Philanthropy / Partenaires en Philanthropie II*, in Montreal in October 1991. The conference was held in collaboration with CEPAQ (centre pour l’avancement des associations du Québec) and APGP (l’association professionnelle des gestionnaires en philanthropie).

## **Who is Really “Major”?**

Of course most organizations are aware of this. In the field of higher education, as in many others, fund raising has been going on long enough for certain traditions to have developed. Foremost among these traditions is the segmentation of smaller and larger gifts, that is, between “annual giving” and “capital giving”, which corresponds to a segmentation of your constituents between the smaller givers and the so-called heavy hitters. Some organizations refer to these classes or segments as “members” (givers of small amounts or nothing) as opposed to “patrons” or “friends” (the major givers). In many cases, of course, there are classes or groups ranging from lowest to highest amounts, each class having its own name or other reward, recognition, or privilege.

For fund-raising purposes, it is generally recognized that the first priority of any organization is to form a body of members; the higher tiers of givers will presumably develop from that base. Universities are among the most fortunate organizations from the fund-raising viewpoint because they already have a given corpus of members in their alumni. Membership is automatic, since it consists of graduates, and there is already some information available on most of them. Many organizations have to work hard and long to reach this stage of development, casting their nets among the general public, competing with any number of other organizations that may have just as much claim on public attention and loyalty.

No matter how large or small an organization, no matter how few members it may have, the basic procedure in developing major gifts is to find some way of segmenting or ranking members to determine their giving potential. (You may also be fortunate enough to have other links to potential donors beyond your immediate membership which will give you another pool of prospects to work with.) Non-profit organizations devise clever strategies for such ranking, usually depending on intelligence networks among members’ peers. Those familiar with the prospective donors will give information on the estimated net worth of those in question. Research can also rely on the media—news and magazine reports on the rich and famous, and so on. Once the fund raisers have identified their best prospects, and matched them to some extent to the organization’s needs, the cultivation and solicitation process can begin.

And this brings us to our immediate subject, the long-term partnership with major donors. Let’s assume that we all know what we mean when we speak of “major donors”. Surely this is something that every organization can—and must—decide for itself. Your major donors must obviously be those who can do the most for you. What could be simpler?

On second glance, the question is not quite as simple as it may seem. Sometimes you can tell at a glance who your major donors are because they have already made major gifts. The record speaks for itself. But what of the future?

How can we decide which relatively modest or relatively inactive donors of today will be the patrons of tomorrow? The answer can only be: research. No matter what the size of the organization, someone or some group must be entrusted with the task of studying the prospects/members with an eye to measuring their giving potential, their present and probable future success, their family connections. The members or prospects must be segmented, assigned to categories, and then dealt with according to their potential. In many cases the selection of “major” status will be easy and obvious. In many other cases you must realize that you are speculating, guessing, perhaps even gambling on a prospect’s future. (You may, for example, cultivate a promising candidate for years, only to find that his ship does not come in as planned and in the end it is he who asks you for assistance.)

### **What Motivates Donors?**

Another fundamental question that must be considered before any action is taken concerns motivation, a crucial aspect of market research: you must identify a demand and then shape your product to satisfy that demand. (Too many business organizations reverse this sequence—they first develop a product and then go looking for someone to buy it.) Applying marketing principles to fund raising, we must ask: What prompts people to give? What are potential donors looking for? What will appeal to them?

Let’s quote here briefly from a rough draft of a fund-raising brochure which, fortunately, was never printed. It will not be too difficult to see why the brochure was cancelled, if you consider the following:

- Donors have never contributed substantially to a cause such as building renovation, and therefore our library has been largely neglected for decades.
- Our students cannot hope to compete with graduates of other institutions if we must continue to work with the equipment that is now in use.
- Compared to our peer institutions, we have the lowest level of financial aid, and thus our ability to attract the best calibre students is bound to suffer unless more support is obtained.

The writer was trying hard to make a case: his institution was in dire need of help. Unfortunately, the writer painted such a bleak picture that it could only have frightened any potential donor. The message—a marketing disaster—was: “We are a failing institution which needs emergency help”. The potential donor might well conclude: If things are really bad, any help I offer will go for nothing—the place will soon close its doors whether I give or not. Few want to embark on a sinking ship.

People do not give entirely from altruism. They do not always help the neediest. A recent study of philanthropy by a university scholar proposed some answers to the question: Why do donors contribute to nonprofit institutions? The answer profoundly shocked the more idealistic members of the academy. The author concluded that people gave as a way of becoming associated with an organization or cause that could confer prestige on them. If this is correct, the people do not give in order to help; they give in order to receive.

In fact, the truest statement would probably be a combination of motives: people give to causes they consider “good”, and they define “good” to mean both “noble” and “successful”. They want to help and also to benefit. But even the least selfish among them would like to know that the organization they are helping to support is well run, respected, and likely to succeed in its mission. The donor has got to have confidence in the organization asking for funds.

### **The Fund Raiser’s Ten Commandments**

At the risk of sounding disrespectful, I would like now to make certain recommendations based on the practices of institutions known to me, or recommendations made by professionals.

#### *1. Manage your organization effectively*

We have seen some negative messages that fund raisers drafted for prospective donors; the drastic, almost desperate, tone was intended to spur the reader into action. In fact, it would have had the opposite effect. Most people would prefer to give help where it promised to do some good.

We want to assure the donor in every communication that our organization is likely to be in existence for some time to come. This can best be demonstrated by sound management. Anyone who visits an organization, or meets its leaders and other staff, soon forms an opinion of the organization. Institutions such as ours, which depend upon philanthropy, cannot always give signs of prosperity and wealth; we may lack funds and supplies and other resources, but this is all the more reason that we must make optimal use of any resources we have. Demonstrate efficiency, common sense, consideration of donors, cost-effectiveness, a sense of priorities, and sound management of staff and time. When all our other resources fail us, we can at least fall back on word management—on good communication, honest and direct speech, economy with words. This remains a useful way to show we know what we are doing.

There is one particular reason above all which compels us to show efficiency and good management in our own organizations: the people we hope to attract as major donors tend to be successful people of some consequence, often managers of companies of their own. They have a sixth sense for efficiency and effectiveness. They can hardly be expected to support something that they

find ineffectual, wasteful, disorganized, or wrong-headed. They are difficult to deceive.

At every step of donor relations—from first contact through gift recognition—most organizations will find that good management proves an effective fund-raising tool. It is one of your best means of demonstrating that your organization is worthy of support.

Good management goes hand-in-hand with another important element: the emphasis on a positive message. We cannot make a case for our organization by means of threats, sermons, morality, or some sense of obligation. What we must communicate is a goal, a mission, a positive image of worthy actions.

If this rule sounds obvious to you, then I can only say that you are wiser than many professionals even in large organizations.

## 2. *Know your prospective donors*

This commandment too may sound a bit too obvious to be of much use, but it covers a good bit of ground. Just what does it mean to know your prospective donors?

We could begin with an even more obvious point: do not take your donor's name in vain.

Consider an embarrassing personal anecdote. Following our standard practice, I sent out some 150 letters to donors of record to ask permission to publish their names in our annual report of major gifts. It was surprising to see how many of them had special instructions for us to follow: either they did not want their names mentioned at all (for many different reasons), or they wanted a spouse or relative included as the donor of record (“the gift of Mr. and Mrs. X Y Z”), or they wanted the name of their family foundations cited rather than their own names, and so on. After nearly 150 such responses, I was sure I had heard every possible combination.

Then came the call from Dr. X. I was not even aware of his name, as he was shouting so loudly and incoherently. I finally caught the name of the town from which he was calling (and this helped me trace his identity later), and something about the names of his parents. Then he slammed down the receiver.

Research showed that the gift in this case—a very generous one—had come from a foundation which we'll call “The Mary and Barry X Charitable Foundation”. The foundation had been established by Mary and Barry some 30 years before and their son, the telephone caller Dr. X, was now the chief trustee. Mary and Barry had both died. So what was the problem?

Further research showed that an eager assistant had “checked” the mailing list before our letters were printed out—and had changed “the Mary and Barry X Charitable Foundation” to “Mr. and Mrs. Barry X.” (And yes, the letter

salutation had read “Dear Mr. and Mrs. X”!) I understood now why the son of Mr. and Mrs. X was expressing such outrage on the telephone. His parents had been dead for about five years.

Other errors occur with names—misspellings, for the most part, or confusion of one family member with another, but no mistake ever disturbs a donor as much as the resurrection of a departed relative.

Again I apologize if my anecdote strikes you as trivial. Names are rather boring details, and apparently not always worthy of staff members’ time. But make any “little” mistake with a donor’s name and the trivial can become almost tragic. Our organization has not had much contact recently with Dr. X. I suppose we are about as likely to hear from him as we are from his parents.

Colleagues with considerable experience in fund raising will tell you countless anecdotes about errors with donors’ names which proved embarrassing, offensive, and expensive. One major foundation reported that a recipient of their philanthropy wrote back with *three* misspellings in the name Clare Boothe Luce—one error for each part of the name.

Names, addresses, affiliations, dates, size and purpose of gift—every detail about a donor is a potential pitfall. Until you have had errors pointed out by donors themselves—or by their heirs—you have no idea how important it is to verify every single detail in your reports and letters.

I called this commandment “Know your prospective donors,” and I had several types of knowledge in mind, not just the correct spelling of their names. You need to know your prospective donor’s long-term potential—and this means you must classify your prospects by category.

To increase your chances of obtaining major gifts from major donors, you must decide where to concentrate your attention. Fund raising cannot always be egalitarian; those who can give the most are bound to receive the most attention. A deliberate policy of intensive cultivation must be practised for those whom your research has identified as key prospects. They must be placed in a category of their own; they must have staff devoted entirely to them; and their calls and letters must receive priority treatment. The golden rule with these major donors is to keep their contacts in the hands of the highest-ranking people in your organization.

Special prospects also require more than the usual record-keeping and tracking. Every contact with them, every phone call, ought to be recorded. The organization must have quick and easy access to the current status of the relationship—gifts discussed or made, meetings, problems, and so on—so that informed responses can be made promptly.

### 3. *Always respond to major prospects*

An organization that has done its research, set its priorities, and cultivated properly the key prospects, will eventually find itself involved in two-way communication with them. You no longer have to initiate every single contact. As a relationship develops, these VIPs will begin to get in touch with you. This is properly seen as an achievement, but it involves obligations as well as rewards.

Many major prospects may begin to show curiosity about your organization—perhaps even more curiosity than you care to satisfy. Prospects sometimes even like to offer advice and voice criticisms. You may have to remind yourself, and your staff, of the fundamental principle of “special treatment for special people”—especially the rule that every question from a major donor must receive an answer.

Answers must come from the appropriate person at the appropriate level. The information must be correct but also diplomatic. Because it is difficult to strike the correct balance between candour and diplomacy, staff should be discouraged from improvising their answers to prospects’ questions. Ensuring adequate answers means that there has to be a deliberate information policy for all levels of contact—what do you tell the public at large, the inner circle, the active volunteers?

Staff must confer regularly about matters of public policy and public relations. Staff must pool their information in order to anticipate likely questions and plan appropriate answers. After visits to the field, or calls or visits from donors, staff must get together to report the questions that were raised, to review the answers that were given, and to attempt to improve in the future. If the organization has particularly controversial news or problem areas, it may be necessary to commit answers and policy statements to paper so that the staff will have a primer or script to help them prepare for difficult topics or major meetings.

### 4. *Keep the contact personal*

Cultivation and solicitation of donors takes time. Often there is no substitute for a time commitment on the part of the chief officers. Personal presence is probably the major commodity available to the fund-raising organization; nothing makes the same impact as a personal call, note, or visit from your president.

All kinds of communications and contacts can have a personal touch. Any document mailed to the donor or prospect can be accompanied by a personal note, from the president of the organization or some other dignitary. No item of a mass mailing—an invitation, a holiday card, a brochure—should be sent to major donors or prospects without a personal note appended by the head of

the organization. Sometimes it even makes sense to send a clipping from the newspaper with the president's card and a brief greeting.

Many institutions make it a rule—even an iron rule—never to send their major donors or prospects any kind of form letter. Any letter that is worth sending to these people is worth sending in a personal form.

Under commandment number 2 we could also have devoted considerable space to the question of first names. An institution that practices good cultivation—or just plain good management—keeps careful records of the first names of prospects, and the first names of their spouses as well. Records of these first names allow you to personalize each letter or invitation, or to ask about a spouse by name (“So how’s Hazel?”) It may, however, be necessary to maintain a certain formality especially for senior people. But how does the staff decide? Sometimes the president of the organization has moved to use the first names. If so, the fact must be recorded in a central location for immediate reference every time a mailing must go out or a meet is planned.

Mention of spouses reminds me of an additional commandment: *Always remember the spouse (or the parent or child)*. This is not just a courtesy. The money may actually belong to the spouse, or at least the spouse may have a voice in deciding how the money is spent. One of Yale University’s largest gifts, back in 1916, came, not from the family member who attended the university as a student, but from his mother.

A colleague at another institution told me the story of a rich man who was courted and cultivated and finally asked to make another generous gift to help the college. Before he could reply to the college president, the donor’s wife interrupted curtly: “No, Henry, I think I’ve already done enough for this place”. Had she done enough—or was she simply offended at the assumption that her husband had made the gift?

The commandment about personal contact also has a second side: the personal role of the recipient of the benefits of the gift. A public relations consultant that I know has recommended that fund raisers adopt the techniques of marketing. He urges us to “personalize the demand”. If you want to convince someone to support your organization, you must describe—and ideally show—the people who stand to gain from the proposed gift. It also makes sense, he says, to have prospective donors actually visit the institution and meet the people who will be helped by the gift—staff and patients in a hospital, students and teachers in a school or college, artists or performers in an arts institution, inner-city children, elderly people, and so on. “Personalize the recipient”. Often those who are helped by your organization will be more effective at “selling” the institution than your professional staff could be.



### 5. *Simplify the giving procedures; keep them adaptable*

If your organization has the good fortune to achieve lengthy donor lists, it will soon find itself involved in the intricacies of accounting. Rules will be developed. This is inevitable and absolutely necessary. For one thing, it is wise to have standard procedures and categories in mind, and to enforce your rules, so that the “big” forms of recognition—portraits, appointments to honorary positions, press conferences—are restricted to the most significant donors. You need to be consistent in this regard and to remember to keep something in reserve. Don’t give the donor everything the first time out; you want to nurture the long-term relationship and have additional rewards to which your donors can aspire with subsequent gifts.

But accounting rules sometimes get out of hand. Bureaucracy can take hold, even in fairly small organizations. Many donors then receive disappointing responses: “No, I’m sorry. Your gift does not qualify under the rules for class reunions, so you will not receive credit in that category. You would have to make a gift specifically earmarked for the Class Reunion Fund. Your gift went for a different purpose.” This may sound absurd, but many institutions of higher learning still practice such restrictions.

All organizations are now aware of the advantages of flexible giving arrangements which allow donors to take advantage of tax laws. “Planned giving” offers a wide range of giving instruments—securities, life insurance policies, real estate, unitrusts, remainder trusts, fractional interests. Any time a major gift is contemplated, it makes sense to consult lawyers who can advise about the intricacies of these procedures in order to maximize comfort for the donor—and thus maximize the gift itself.

### *The Halfway Point*

These first five commandments deal with the cultivation and solicitation of donors—the effort we could summarize as saying “please” to donors. At this point in the relationship, many fund raisers would consider that their work is now complete. Saying “thank you” is not their concern; they must be off chasing other donors and other gifts.

But I urge you to bear with me and consider the rest of the commandments. Saying “thank you” is more complex than some may think. It may also have important consequences. The final five commandments, then, take up after the gift has been announced and govern the operations known as donor recognition and donor acknowledgment.

### 6. *Always take the long view*

A major gift deserves a lot of gratitude. Many fund-raising organizations believe you must continue saying “thank you” until it hurts. This is fine, as long as it hurts you instead of the donor.

Although I have mentioned the need to keep some form of recognition in reserve for that even bigger gift in the future, we can never take the chance that a donor will think the gift has been forgotten. Donors need reminders of our gratitude. The recognition program must be designed like an on-going campaign, not just a one-time payoff.

One approach to long-term donor recognition is to plan a number of different tokens of gratitude. For example, quarterly and then monthly video updates on a new hospital building. Sometimes more variety is called for. Consider the case of a donor who gave millions for a library building. The library institution responded in the following ways.

- Thank-you messages—the most obvious but also the most important. Handwritten letters of thanks went to the donor from the head librarian, the board chair, and some other dignitaries, as well as from the department heads who had taken part in some of the planning meetings with the donor.
- Written reports—press releases sent to local and national media; stories in the local and state library association press; interviews in a regional magazine which explored the motivation of the gift and how it was decided (a kind of case history); biographies of the donor in other publications.
- Gifts to the donor—a stone, inscribed with the donor’s name, from the original building which his building replaced; a copy of a book about the institution; two copies of a video about the building campaign, with “before” and “after” shots, interviews, and so on; a photo album of the donor and his family at various events sponsored by the institution, at each of which he was invited to speak, or to participate in a panel discussion, or was introduced and asked to take a bow. (Each of these gifts was presented at a different time, over a period of three years.)
- Special events—in addition to the meetings referred to above, dedication ceremonies for the new building (at which the donor spoke), meetings with staff and even users of the library.
- Naming—the main hall in the building was named after the donor in recognition of his gift. This is a high honour—reserved for the biggest contributions—because it will last as long as the institution itself.
- Consultation—the donor was invited to chair a building fund committee of the library, to join the board of the library, to advise the institution on its media campaigns and membership drives and even occasionally on book acquisitions, and to identify other prospects and even solicit them for contributions, as well as to speak at various events (see above).

This form of recognition—consultation—may be the most important of all because, if successful, it will bind the donor to the institution in an active way and on a long-term, ideally permanent, basis.

The list of recognition measures extends from the simplest and least expensive (thank-you letters) to the most elaborate and permanent (portrait, naming). It extends from measures which cost the institution money, to those that end up costing the donor (consultation—the demands on time). With imagination, any organization can devise the most suitable and memorable forms of commemoration and recognition—and ensure that they prove successful. With enough imagination and care, the forms of gratitude and recognition can also be inexpensive.

You usually do not have to fear that you will thank your donors too much. According to the staff of the library institution, this donor never once protested that too much attention was being paid.

### 7. *Make graven images of your prospective donors*

Everyone likes to quote the adage that a picture is worth ten thousand words. Pictures offer a welcome respite from the necessity of verifying words, numbers, and facts. The camera makes no errors.

You can still commit two types of *human* error involving portraits of donors. You can go wrong if you put the wrong name on the face; so be sure you have identified everyone in each photo correctly. The other possible error is a question of judgment: is the pose flattering, appropriate, dignified? For safety's sake, it is best to obtain the donor's approval in advance.

When it comes time to honour a donor, portraits and snapshots can be put to excellent use. They do not always have to be portraits or snapshots of the donor alone; many people enjoy seeing themselves together with a dignitary or celebrity such as the president of your organization. If possible the donor should be speaking and the president listening. Some donors even appreciate pictures of other people even if they are themselves absent from the picture. They will welcome pictures of a place or institution that means a great deal to them, or a picture that documents their philanthropy.

Photographs have the advantage of multiple use. The same photo opportunity can yield a number of shots covering such varied purposes as (1) a newspaper report, (2) a report in your own internal publication, (3) a small souvenir album of an event or project associated with the donor, (4) a photographic record of a gift—"before" and "after" shots for a building or renovation, photos of a sponsored performance, a monument or work of art or exhibition, and so on.

Other types of image must also be considered. Which medium will be most useful for your particular purposes? Consider the following:

- **Paintings:** One donor of my acquaintance arranged to have a life-size oil painting of himself created and hung in an institution that he had benefited. He financed the portrait himself. It flattered him for a variety of reasons—because it was somewhat stylized and more “becoming” than most of his photos, and because it was hung in a place where lots of portraits of officers and benefactors were on display dating back more than a century so that he became part of the history of the place. Obviously, such an honour must be bestowed sparingly. The organizers must be absolutely sure that the gift and the donor are worthy of this special “monumental” treatment.
- **Busts:** A sculptor visited my office recently to offer his services for honouring donors with portraits in bronze bas-relief or in marble busts. The problem with such works was that they recalled mortuary sculpture. The marble busts in particular had a pseudo-Roman aura. Plump American entrepreneurs were captured in marble, in head-and-shoulders view, but without any sign of clothing—no collar or lapel, just bare skin.
- **Videos:** It becomes steadily easier and cheaper to videotape events. The video camera has become so available that it is beginning to rank with the photocopying machine as the most overused instrument in any organization. Every institution has by now collected a dusty stack of videos that no one bothers to look at. Sometimes you mail them out to prospects, hoping that they will be appreciated—and wondering if they will be looked at at all. In other words, I am somewhat sceptical about this particular form of recognition.

Videos come in handy if they are brief (10 minutes at most) and are used in personal meetings involving two to five people. A good rule of thumb is: plan to make a video only if you expect to be present to show it to your audience yourself.

With this in mind, I believe videos can be effective. A prominent widow in New England made a gift of several million dollars to enable a hospital to erect a new wing. Because she was unable to travel to the place to view the results of her philanthropy, the hospital staff arranged to send her videos four times a year to document the work in progress. The videos became more frequent as there was more and more to show. For reasons of economy, no effort was made to make a finished, artistically edited version of the footage. Informal views were thought to be sufficient.

- **Plaques:** Plaques are used to identify a building, a room, or other space and to acknowledge the gift that made the building or renovation possible. They normally consist of text alone, omitting any portraits. Obviously, when you are working in bronze or even wood, errors can be

expensive. Thorough consultation and firm approval of the exact wording—in advance—are absolute necessities.

- Stone engravings: Cornell University, among others, honours its major donors by giving each of them their own stone in the university library wall. Their names and a description of their gifts are engraved in the stone, and a ceremony is held each time such an inscription is created.

#### 8. *Spend their money carefully*

The use of the gift must of course comply with donor intentions—and some institutions have a staff member whose sole function is to see that such intentions are obeyed, a sort of ombudsman for all donors. Some universities have a staff member entrusted with maintaining records on the official naming of rooms, buildings, and portions of the same. This person ensures that if a building must be demolished and renovated the original plaques naming certain rooms or areas are not lost and that there continues to be a room in the new building commemorating former donors.

Nevertheless, the donor must always receive the impression that economy is practised and no money—especially none of the donor’s money—is wasted.

Many donors will complain if they find any evidence of wastefulness in your operation. I often receive notes from people to whom we have sent invitations or cards. They tell us if we have inadvertently sent them the same leaflet or card twice (some overlapping does exist among different mailing lists in any large institution). They will notify us if we have put one cent’s worth of excess postage on the card or envelope. They are right of course to show such concern, even if we tire of their complaints. More important than being right, they are perhaps indirectly expressing concern about their own gifts. If we are so wasteful about a 15-cent stamp or a two-dollar brochure, they may begin to question how well we are handling their half-million dollars. We often spend considerable time on mailing lists to avoid duplications for just this reason; we hate to give any impression of waste.

We must also show concern for economy in all the elaborate thank-yous we devise to honour our donors. Our recognition efforts must show a judicious balance between consideration of the donor and concern for economy.

#### 9. *Report to the donor about the use of the money*

Universities and colleges are devoted to maintaining traditions. This may be one reason why some have made it easier for sons and daughters of graduates to attend than for “strangers”. Another tradition is the idea that some gifts are forever—the gifts which are used to endow professorships, fellowships, and scholarships. Such gifts of capital to support programs in perpetuity are not only traditional, they also make good sense financially.

The existence of such funds creates a special kind of long-term relationship. We refer to it as stewardship—which implies that we are looking after *the donors'* money, not our own. This role could be compared to that of the portfolio manager, or investment manager, in the financial world—the professionals who invest money for you and then report to you on the results.

Donors often get in touch with us to ask how much “their” funds are now worth.

Stewardship is an obligation to maintain the value and use of the donor’s gift, to see that the original intentions are fulfilled. It is another form of donor recognition or thanks—the most long-term form possible.

If a donor has established an endowment fund to support a chair or some financial aid, we feel obliged to report to that donor on the recipients of the proceeds of the gift: the professor or student selected for the honour of receiving financial support. Each time a new recipient is selected (which can be every year in the case of some financial aid gifts), we write to the donor with a description of the student, why the student was chosen, what the student is studying, the town the student comes from, the student’s future plans. Donors often write back to thank us for this information, contact the student themselves, or even arrange personal meetings.

This requires a great deal of work. Careful research is necessary, and the information is not always easy to obtain if the registrar or other office is not co-operative. In addition information about students cannot be divulged without their signatures on a release form—more bureaucracy.

Remember that the death of a donor does not end the obligation for stewardship. Our practice is to continue to report to the donor’s heirs: in the case of some endowed funds we have been writing to family members of the original donor for as long as a century. Some other universities use biographical forms, rather than personal letters, to relay the information to the donor or heir. The information is pulled from computer files and printed automatically on the preprinted form.

Colleges and universities often ask students to send a thank-you letter to donors. (You can imagine how many complete the task.) But one university, to my knowledge (and I do not mean Yale), has a rule that the student cannot receive the scholarship money until the thank-you letter has gone to the donor. I am not sure what kind of verification they use, but they have ways of determining whether the letter has been sent.

On the basis of my informal survey among my colleagues in other Ivy League institutions, I can report that all of these universities believe that stewardship pays. It is the basis for good donor relations. It may even lead to additional gifts.

10. *Proper thanks can become the most effective way to say “please”*

Now we come to the real reason why some institutions, including my own, devote so much time, effort, and money to stewardship and thanks. Megagifts do not fall in our laps out of the blue, they come from people who have given before, usually in smaller amounts. There is a typical giving history, or indeed what might be called a “donor career”. In this continuing cycle, the donor goes from one gift to a larger one, moving through the phases of cultivation, solicitation, and acknowledgment, and again to cultivation, and so on. The key to this continuing career, of course, is proper management, stewardship and thanks. If donors feel involved in the institution, if their generosity has been recognized and respected, if the institution is responsive to the donor, the gift, and the mission, then there is an excellent chance of further gifts.

The correct expression of “thank you” can become the most effective way of saying “please”.